



BOARD OF EQUALIZATION
STATUS REPORT

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| <input type="checkbox"/> | Board Members |
| <input type="checkbox"/> | Business Taxes Committee |
| <input type="checkbox"/> | Customer Services Committee |
| <input type="checkbox"/> | Legislative Committee |
| <input checked="" type="checkbox"/> | Property Tax Committee |
| <input type="checkbox"/> | Technology & Administration Committee |
| <input type="checkbox"/> | Other (Insert Name) |

Topic:

Work plan to implement 2002 Property Tax Legislation.

Background:

As a result of the 2002 Legislative Session, a number of bills were chaptered that affect the administration of the Property Tax Law. A schedule that lists the bills, provisions, and action required as a result of the bill passage is attached (Exhibit 1). Timely implementation of these legislative changes will ensure that the Board continues to provide current and accurate information used in the administration of property tax.

Current Status:

These legislative changes do not become effective until January 1, 2003. However, timely implementation requires that the staff start the process prior to that date. The attached schedule includes a work plan that details the actions required and estimated completion dates. Notification of all legislative changes will be through Letters To Assessors.

Conclusion:

Affirmation of the proposed plan will enable the staff to begin the implementation process.

Prepared by: Property and Special Taxes Department
Assessment Policy and Standards Division

Current as of: October 16, 2002

WORK PLAN TO IMPLEMENT 2002 PROPERTY TAX LEGISLATION

		Action Required and Estimated Date of Completion				
Bill, Chapter, & Effective Date	Provisions (Description)	Notification (LTA/CAO)	Update Regulations (Rules)	Update Publications	Forms Revision	Annotation Review
AB 81 Ch. 57 01/01/03	<p>Electrical Generation Facilities. With respect to certain electric generation facilities with a generating capacity of 50 megawatts or more:</p> <p>State Assessment. Transfers assessment responsibility for property tax purposes from the local county assessor to the Board of Equalization beginning January 1, 2003.</p> <p>Revenue Allocation. Changes the allocation of property tax revenues derived from these facilities from the county-wide pool system to the specific local tax rate area where the facility is located.</p>	Issue LTA – Legislative Summary (11/02)	N/A - consistent with Rule 905, as amended (effective 6/02)	State Assessment Manual, Ch. 1, Appendix E (3/03)		Required (12/02)
AB 2238 Ch. 621 01/01/03	<p>Public Safety Officials Home Protection Act. Extends to public safety officials, as defined, the existing prohibition that any state or local agency cannot post on the Internet the home address or telephone number of any elected or appointed official without first obtaining written permission. In addition, prohibits any person from knowingly posting the above information of any official, the official's residing spouse or child on the Internet. Makes a violation a misdemeanor or felony.</p>	Issue LTA (12/02)				Required (12/02)

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AB 2714 Ch. 299 01/01/03	<p>Percent Good Factors. Provides that if the county assessor uses the reproduction or replacement cost approach to determine the value of tangible personal property or trade fixtures, then both of the following apply:</p> <p>Averaging Factors – New and Used Equipment. If the county assessor depreciates the property using percent good factors published by the Board that provide separate factors for property that is first acquired new and first acquired used, the assessor may not average the published factors to apply these factors to both classes of new and used property. However, if information reported does not indicate whether this property was first acquired new or used, then the assessor may average the published factors.</p> <p>Minimum Percent Good – Supportable. If the county assessor depreciates this property using percent good factors that include a minimum percent good, the minimum percent good factors shall be determined in a manner that is supportable. Assessors could still use minimum percent good factors, but the factors used must be based on some support.</p>	Issue LTA (12/02)		AH 504 Ch. 4 (next update) AH 581 Ch. 2, 4 (1/03)		Required (12/02)
AB 3033 Ch. 759 01/01/03	Access to Assessor's Records – Department of Child Support Services. Adds the Department to the list of agencies that may have access to assessor's records.	Issue LTA – Legislative Summary (11/02)				Required (12/02)

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Bill, Chapter, & Effective Date	Provisions (Description)	Notification (LTA/CAO)	Update Regulations (Rules)	Update Publications	Forms Revision	Annotation Review
SB 1864 Ch. 616 01/01/03	Agricultural Land Conservation Easements. Corrects statutory references in the Revenue and Taxation Code. §§402.1, 421.5, 423.4, 423.8, 426	Issue LTA – Legislative Summary (11/02)		Draft new chapter for the AH 521 in progress. (5/03)		Required (12/02)
SB 2086 Ch. 214 01/01/03	Welfare Exemptions – Notice of Ineligibility. Changes the date from March 15 to February 15 when the assessor must be notified if property receiving an exemption under Section 214.15 or 231 no longer qualifies. §254.5	Issue LTA – Legislative Summary (11/02)		AH 267 Part I Ch. 6 (next update)		Required (12/02)
	Religious Exemptions – Notice of Ineligibility. Changes the date from June 30 to February 15 when the assessor must be notified if property receiving the religious exemption no longer qualifies. §257	Issue LTA – Legislative Summary (11/02)		AH 267 Part II Ch. 2 (next update)		Required (12/02)
	Subdivision Digital Maps. Authorizes a county board of supervisors to adopt an ordinance requiring a copy of a recorded digital subdivision map to be filed with the county assessor. §327.1	Issue LTA – Legislative Summary (11/02)		AH 215 (next update)		
	Record Retention. Makes special document retention requirements for first-time welfare exemption, religious exemption, and the disabled veterans' exemption claims. §465	Issue LTA – Legislative Summary (11/02)		AH 267 Part I Ch. 6 (next update)		

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SB 2092 Ch. 775 01/01/03	Indian Tribal Owned Low-Income Housing. <ul style="list-style-type: none"> Specify annual filing requirements. §254, §259.13 Late-filing provisions. §270 Post-lien date acquisitions. §271 Expand definition of lower income households. §237 	Issue LTA (12/02)			BOE-237, BOE-237-A (8/03)	Required (12/02)
	Disabled Veterans' Exemption –Clean Up. <ul style="list-style-type: none"> Correct cross reference to statute of limitations on refunds and cancellations. §276 Give 20 days to file when USDVA disability ratings is received close to lien date. §276.1 Extend exemption to property owned, but not residing in, on lien date. §276.2 Escape assessment issued upon mid-year termination of exemption. §276.3, §531.1 	Issue LTA (12/02)			BOE-261-G BOE-261-GNT (8/03)	Required (12/02)
	Manufactured Homes. <ul style="list-style-type: none"> Supplemental Assessments. <ul style="list-style-type: none"> Clarify supplemental assessments <i>are not</i> to be made for conversion from the VLF to the local property tax. §5802 Clarify supplemental assessments <i>are</i> to be made for change in ownership or completion of new construction. §5802 Value Guides. Add Board's Cost Handbook, correct names of other value guide publications. §5803 VLF Delinquency. Delete obsolete language. §5831 Correct Cross Reference Errors. §5811, 5813 Substitutes "manufactured home" for "mobilehome" and specifies that use of the term "manufactured home" includes a "mobilehome." §§62, 62.1, 172, 172.1, 181, 194, 197, 441, 480.4, 482, 5801 	Issue LTA – Legislative Summary (11/02)		AH 511, pp. 19, 29, 41, 71, 72, 74, 75, FN 60 (next update)		Required (12/02)

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Bill, Chapter, & Effective Date	Provisions (Description)	Notification (LTA/CAO)	Update Regulations (Rules)	Update Publications	Forms Revision	Annotation Review
SB 2092 Ch. 775 01/01/03 (continued)	Base Year Value Transfers—Over 55/Disabled. <ul style="list-style-type: none"> • Disaster Relief. Allows BYV transfer if home was destroyed in a non-governmental declared disaster for transfers occurring prior to March 24, 1999. §69.5 • Mobilehome Parks. Specifies that “land owned by a claimant” includes a pro rata interest in a resident-owned mobilehome park. Extends claim deadline to allow prospective relief for resident-owned mobilehome parks. §69.5 	Issue LTA (12/02)		AH 511, pp. 21-23 (next update)	BOE-60-AH BOE-62 (8/03)	Required (12/02)
	Clarify the Assessment Appeal Deadline Extension. <ul style="list-style-type: none"> • Single County-Wide Deadline. Clarifies that deadline per county is either Sept. 15th or Nov. 30th for all property (real and personal) on either roll (secured or unsecured) dependent upon whether notices are provided to all assessees of real property on the secured roll. §1603 • Newspaper Publication of Values. Clarifies that notification in newspaper does not suffice as notice. §621 • Assessor Notify Clerk and Tax Collector. Requires assessor to notify other county offices by April 1 if he or she will be sending notices to taxpayers by August 1. §1603 • BOE Maintain Statewide Listing. Requires clerk to notify BOE of county’s deadline so a statewide list can be maintained. §1603 • Miscellaneous Code Reference Updates. Deletes obsolete reference to uniform Sept. 15th deadline. §§75.51, 2611.6, 620.5 	Issue LTA (12/02)	Rule 305	AH 504, Ch. 8 AAM, pp.14, 27-35, 116, FN 69	BOE-305-AH (8/03)	Required (12/02)

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SB 2092 Ch. 775 01/01/03 (continued)	Escape Assessments- Low Value Exemption. Permits a county board of supervisors to adopt an ordinance to prohibit an assessor from making an escape assessment of an appraisal unit where that assessment would result in an amount of taxes due which is less than the cost of assessing and collecting them. In no event may the ordinance apply to any escape assessment of an appraisal unit if the amount of taxes resulting from the escape assessment would exceed fifty dollars (\$50). §531.9	Issue LTA – Legislative Summary (11/02)		AH 501, p.127		Required (12/02)
	E-Filing Business Property Statements. Authorizes the assessor to accept the filing of a property statement by the use of electronic media. §§441, 441.5			AH 504, Ch. 7, 9		
	Supplemental Assessments. Increase the limit on supplemental assessment cancellations by the assessor from \$20 to \$50. §75.55	Issue LTA – Legislative Summary (11/02)		AH 501, pp.112 & 132 AH 504, Ch. 7 (next update)	Possibly all 571's (8/03)	Required (12/02)
	Parent-Child Change In Ownership Exclusion. Reinstates the parental (or executor) signature requirement on exclusion claims. §63.1	Issue LTA (12/02)		AH 501, p.141 (next update)	BOE-58-AH BOE-58-G (10/02)	Required (12/02)